

NZ Tax Changes for Digital Nomads

New Zealand is making it easier for foreign visitors to enjoy our beautiful country which continuing to work remotely for their overseas employer, as signalled in the recent August 2025 tax bill.



What is a Digital Nomad?

The Oxford Dictionary online describes a digital nomad as “a person who earns a living working online in various locations of their choosing (rather than a fixed business location).”

Digital nomads can work from anywhere, as long as they have their laptop, smartphone and excellent internet bandwidth. This allows them the flexibility to travel the world continuously or take short hops away from home, while still working for a business in their home country. I’ve met analysts, radiologists, mortgage brokers, software engineers, bookkeepers, community managers and social media marketers who have travelled to New Zealand while still employed or contracting to a business overseas.

Digital Nomad Visa

All visitor visas applied for on or after 27 January 2025 allow travellers to work remotely while in New Zealand while here for another purpose, such as visiting family and friends, study or sightseeing.ⁱ Visitors can stay up to 6 or 9 months.

Remote work may include answering emails, phone calls, coding and testing, writing reports, creating social media content, attending meetings or giving presentations to colleagues outside of New Zealand. Remote work cannot include working for a New Zealand employer, with a New Zealand business or person in exchange for goods or services, or work that requires you to be in New Zealand. If you want to do any of these things you may need apply for a visa that allows you to work in New Zealand.

Do Digital Nomads Pay Tax in New Zealand?

You can work remotely tax-free for up to 92 days or 183 days, depending on whether your home country has a double tax treaty with New Zealand. This period will lengthen under the changes in the August 2025 Tax Bill.

92-Day Rule

Right now, digital nomads are exempt from tax under the 92-day rule if their visit is not more than 92 days in each 12-month period, their income is taxable in their home country, the services they perform are for non-residents and they are not a public entertainer.ⁱⁱ The days they arrive and depart are included in the number of days present.

183-Day Rule

If a digital nomad's home country has a double tax agreement (DTA) with New Zealand, the number of days in New Zealand can be extended from 92 days to 183 days. Each DTA is slightly different so check the wording for the specific country of origin. These agreements typically state that the digital nomad must be in New Zealand for 183 days or fewer in any 12-month period, their employer is not tax-resident in New Zealand and doesn't have a permanent establishment in New Zealand and their employer can't claim a tax deduction in New Zealand for the cost of the digital nomad's salary and wages.

Digital Nomad's 275-Day Rule under the August 2025 Tax Bill

A new bill was introduced in August 2025, extending the tax-free period for digital nomads. The Taxation (Annual Rates for 2025–26, Compliance Simplification, and Remedial Measures) Bill has not yet passed into Law so there may be technical changes before being enacted.

A natural person will qualify as a “non-resident visitor” for tax purposes if they arrive in New Zealand on or after 1 April 2026 and are present for 275 days or fewer in an 18-month period, including the day of arrival and departure. They cannot be a New Zealand resident or transitional resident immediately prior to arrival. They would be lawfully in New Zealand under the Immigration Act 2009 and tax resident in a jurisdiction with similar tax laws to New Zealand. They would not be receiving a family scheme entitlement like Working for Families Tax Credits (nor their spouse, civil union partner or de facto partner).

The type of remote work is the same as described above. The digital nomad would not be working for a New Zealand resident or New Zealand branch of a non-resident. They would not do work for goods or services from persons or businesses in New Zealand. They would not do work which requires the person to be physically present in New Zealand.

The August 2025 Tax Bill extends the concessions to entities associated with a “non-resident visitor”. This means that the presence of the non-resident visitor won't make an entity tax resident in New Zealand under the centre of management test or director control test.

The New Zealand Government hopes that the new 275-Day Rule for Digital Nomads will encourage more tourists to stay and spend in the New Zealand economy for longer.ⁱⁱⁱ Tourism is New Zealand's second biggest export earner, with visitors spending \$16.9b in the March 2024 year and 1 in 9 New Zealanders directly or indirectly employed in tourism^{iv}. Is your business poised to welcome more international visitors?

- *Serena Irving*

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An article like this, which is general in nature, is no substitute for specific accounting and tax advice. If you want more information about the issues in this article, please contact your adviser or the author.

ⁱ <https://www.immigration.govt.nz/visit/checking-or-changing-the-conditions-of-your-visitor-visa-or-nzeta/working-remotely-in-new-zealand-on-a-visitor-visa>

ⁱⁱ <https://www.ird.govt.nz/roles/non-residents/non-resident-employees>

ⁱⁱⁱ <https://www.beehive.govt.nz/release/tax-bill-grow-economy-and-ease-cost-living>

^{iv} <https://www.tourismnewzealand.com/news-and-activity/tourism-plays-vital-role-in-economy-as-new-zealands-second-largest-export-earner>